

FISCAL NOTE

HB 2978 - SB 2972

March 26, 2006

SUMMARY OF BILL: Increases, from \$12,980 to \$13,500, the annual income limit for eligibility for the Property Tax Relief Program for elderly and disabled homeowners.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$115,000

Assumptions:

- There would be approximately 1100 additional claims due to increasing the income threshold.
- The average payment per claim would be \$107.
- According to TCA § 67-5-702(a) and 703(a)(2) the annual income limit is raised each year according to the social security cost of living adjustment for the year. It is estimated that the increase for 2006 would bring the annual income limit to \$13,330 in the absence of this bill. Therefore, the increase in state expenditures above what would happen in the absence of this bill is $\$107 \times 1100 = \$117,700$.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director